

I claim:

1. A financial method comprising:  
determining a price of an underlying security at a first time;  
calculating a discounted price of the underlying security using the price of the underlying security;  
offering an exchangeable security at the discounted price; and  
exchanging a share of the underlying security for a share of the exchangeable security at a second time, the second time after the first time.
2. A method according to claim 1, further comprising:  
calculating a payment amount linked to the exchangeable security; and  
delivering the payment amount at the second time.
3. A method according to claim 2, wherein the payment amount is equal to the amount of the discount of the underlying security.
4. A method according to claim 2, wherein the payment amount is more than or less than the amount of the discount of the underlying security.
5. A method according to claim 1, wherein the price of the underlying security is a market price of a share of the underlying security.
6. A method according to claim 1, wherein the price of the underlying security is a closing price of a share of the underlying security.

7. A method according to claim 1, wherein the underlying security is a basket of securities and exchanging a share of the underlying security for a share of the exchangeable security further comprises exchanging the basket of securities for a share of the exchangeable security.

8. A method according to claim 1, wherein the discounted price is a percentage of a share price of the underlying security.

9. A method according to claim 1, wherein the discounted price is a fixed amount less than a share price of the underlying security.

10. A method according to claim 1, wherein the second time is a defined period after the first time, the defined period selected from the group including one month, one quarter, semi-annual, single year and multiple years.

11. A method according to claim 1, wherein the second time is two years after the first time.

12. A method according to claim 1, wherein exchanging the underlying security for the exchangeable security further comprises:

receiving a share of the exchangeable security; and

delivering a share of the underlying security.

13. A method according to claim 1, wherein exchanging the underlying security for the exchangeable security further comprises:

receiving a share of the exchangeable security; and

delivering an amount representing the value of a share of the underlying security at the second time.

14. Computer executable software code transmitted as an information signal, the code for offering and exchanging an exchangeable security, the code comprising:

code to determine a price of an underlying security at a first time;

code to calculate a discounted price of the underlying security using the price of the underlying security;

code to offer an exchangeable security at the discounted price; and

code to exchange a share of the underlying security for a share of the exchangeable security at a second time, the second time after the first time.

15. A computer-readable medium having computer executable software code stored thereon, the code for offering and exchanging an exchangeable security, the code comprising:

code to determine a price of an underlying security at a first time;

code to calculate a discounted price of the underlying security using the price of the underlying security;

code to offer an exchangeable security at the discounted price; and

code to exchange a share of the underlying security for a share of the exchangeable security at a second time, the second time after the first time.

16. A programmed computer for offering and exchanging an exchangeable security, comprising:

a memory having at least one region for storing computer executable program code; and

a processor for executing the program code stored in the memory; wherein the program code comprises:

code to determine a price of an underlying security at a first time;

code to calculate a discounted price of the underlying security using the price of the underlying security;

code to offer an exchangeable security at the discounted price; and

code to exchange a share of the underlying security for a share of the exchangeable security at a second time, the second time after the first time.

17. A method for offering and exchanging an exchangeable security, the method comprising:

determining a market price of an underlying security or basket of underlying securities;

calculating a discounted price of the underlying security or basket of securities using the market price and a fixed or variable discount;

offering the exchangeable security at the discounted price;

receiving the exchangeable security at maturity of the exchangeable security; and

providing a share of the underlying security or basket of the underlying securities in return for the exchangeable security.

18. A financial method comprising:

determining a price of an underlying security at a first time;

calculating a discounted price of the underlying security;  
offering an exchangeable security at the discounted price; and  
prior to a maturity date of the exchangeable security, exchanging less than  
a full share of the underlying security for a share of the exchangeable security.

19. A method according to claim 18, wherein the price of the underlying security is a market price of a share of the underlying security.

20. A method according to claim 18, wherein the price of the underlying security is a closing price of a share of the underlying security.

21. A method according to claim 18, wherein the underlying security is a basket of securities and exchanging less than a full a share of the underlying security for a share of the exchangeable security further comprises exchanging less than a full basket of securities for a share of the exchangeable security.

22. A method according to claim 18, wherein the discounted price is a percentage of a share price of the underlying security.

23. A method according to claim 18, wherein the discounted price is a fixed amount less than a share price of the underlying security.

24. A method according to claim 18, wherein the second time is a defined period after the first time, the defined period selected from the group including one month, one quarter, semi-annual, single year and multiple years.

25. A method according to claim 18, wherein the second time is two years after the first time.

26. A method according to claim 18, wherein exchanging less than a full share of the underlying security for the exchangeable security further comprises:

receiving a share of the exchangeable security; and  
delivering less than a full share of the underlying security.

27. A method according to claim 18, wherein exchanging less than a full share of the underlying security for the exchangeable security further comprises:

receiving a share of the exchangeable security; and  
delivering an amount representing less than a full value of a share of the underlying security at the second time.

28. A method for offering and exchanging an exchangeable security, the method comprising:

determining a market price of an underlying security or basket of underlying securities at a first time;  
calculating a discounted price of the underlying security or basket of securities;  
offering an exchangeable security at the discounted price; and  
prior to a maturity date of the exchangeable security, exchanging less than a full share of the underlying security or basket of underlying securities for a share of the exchangeable security.

29. A financial method comprising:

determining a price of an underlying security at a first time;  
calculating a discounted price of the underlying security;  
offering an exchangeable security at the discounted price; and  
prior to a maturity date of the exchangeable security, exchanging a full share of the underlying security for a share of the exchangeable security.

30. A method according to claim 29, wherein the price of the underlying security is a market price of a share of the underlying security.

31. A method according to claim 29, wherein the price of the underlying security is a closing price of a share of the underlying security.

32. A method according to claim 29, wherein the underlying security is a basket of securities and exchanging a full share of the underlying security for a share of the exchangeable security further comprises exchanging a full basket of securities for a share of the exchangeable security.

33. A method according to claim 29, wherein the discounted price is a percentage of a share price of the underlying security.

34. A method according to claim 29, wherein the discounted price is a fixed amount less than a share price of the underlying security.

35. A method according to claim 29, wherein the second time is a defined period after the first time, the defined period selected from the group including one month, one quarter, semi-annual, single year and multiple years.

36. A method according to claim 29, wherein the second time is two years after the first time.

37. A method according to claim 29, wherein exchanging a full share of the underlying security for the exchangeable security further comprises:

receiving a share of the exchangeable security; and  
delivering a full share of the underlying security.

38. A method according to claim 29, wherein exchanging a full share of the underlying security for the exchangeable security further comprises:

receiving a share of the exchangeable security; and  
delivering an amount representing the value of a full share of the underlying security at the second time.

39. A method for offering and exchanging an exchangeable security, the method comprising:

determining a market price of an underlying security or basket of underlying securities at a first time;  
calculating a discounted price of the underlying security or basket of underlying securities;  
offering an exchangeable security at the discounted price; and  
prior to a maturity date of the exchangeable security, exchanging a full share of the underlying security or basket of underlying securities for a share of the exchangeable security.

40. A financial method comprising:



determining a price of an underlying security at a first time;  
calculating a discounted price of the underlying security; and  
issuing an exchangeable security at the discounted price, the exchangeable security including an exchange right on or after a second time, where under the exchange right, a holder of the exchangeable security may exchange a share of the exchangeable security for a share of the underlying security, the second time after the first time.

41. A method according to claim 40, further comprising:  
calculating a payment amount linked to the exchangeable security; and  
delivering the payment amount at the second time.
42. A method according to claim 41, wherein the payment amount is equal to the amount of the discount of the underlying security.
43. A method according to claim 41, wherein the payment amount is more than or less than the amount of the discount of the underlying security.
44. A method according to claim 40, wherein the price of the underlying security is a market price of a share of the underlying security.
45. A method according to claim 40, wherein the price of the underlying security is a closing price of a share of the underlying security.
46. A method according to claim 40, wherein the underlying security is a basket of securities and the right to exchange a share of the exchangeable security for a share of the underlying security at the second time further comprises the right to exchange a share of the exchangeable security for the basket of securities.

47. A method according to claim 40, wherein the discounted price is a percentage of a share price of the underlying security.

48. A method according to claim 40, wherein the discounted price is a fixed amount less than a share price of the underlying security.

49. A method according to claim 40, wherein the second time is a defined period after the first time, the defined period selected from the group including one month, one quarter, semi-annual, single year and multiple years.

50. A method according to claim 40, wherein the second time is two years after the first time.

51. A method according to claim 40, wherein the right to exchange the exchangeable security for the underlying security further comprises the right to:

deliver a share of the exchangeable security; and

receive a share of the underlying security.

52. A method according to claim 40, wherein the right to exchange the exchangeable security for the underlying security further comprises the right to:

deliver a share of the exchangeable security; and

receive an amount representing the value of a share of the underlying security at the second time.

53. A method for offering and exchanging an exchangeable security, the method comprising:

determining a market price of an underlying security or basket of underlying securities at a first time;

calculating a discounted price of the underlying security or basket of underlying securities; and

issuing an exchangeable security at the discounted price, the exchangeable security including an exchange right beginning on a maturity date of the exchangeable securities, where under the exchange right, a holder of the exchangeable security may exchange a share of the exchangeable security for a share of the underlying security or the basket of underlying securities, the maturity date after the first time.

54. A method comprising offering a share of an exchangeable security for sale on a securities exchange, where an issue price of a share of the exchangeable security is calculated at a time of issue of the exchangeable security as a discounted price of a share of an underlying security at the time of issue.

55. A method comprising trading on a securities exchange a share of an exchangeable security, where an issue price of a share of the exchangeable security is calculated at a time of issue of the exchangeable security as a discounted price of a share of an underlying security.

56. A method comprising redeeming at a second time, a share of an underlying security for a share of an exchangeable security, where the second time is after a first time, and an issue price of a share of the exchangeable security is calculated at the first time as a discounted price of a share of the underlying security.